

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Case No. 04-31444

Helical Dynamics, Inc.

Chapter 11 Case

Debtor.

**Notice of Hearing and
Application for Allowance of Interim Compensation
and Reimbursement of Expenses of Hamilton Associates, Inc.,
Consultant for Debtor-In-Possession**

PLEASE TAKE NOTICE that the Court will hold a hearing on the following Application on Tuesday, September 7, 2004 at 9:45 a.m. in Courtroom 228B, 200 Warren E. Burger Federal Building, 316 North Robert Street, St. Paul, MN 55101, or as soon thereafter as counsel can be heard. Any response to this motion shall be filed and delivered no later than August 31, 2004, which is seven days before the date set for the hearing on this Application, or filed and served by mailed no later than August 27, 2004, which is ten days before the date set for the hearing on this Application. IF NO RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.

Hamilton Associates, Inc., the Applicant herein, hereby applies to the Court, pursuant to 11 U.S.C. §§ 328, 330 and 331, for an Order allowing interim compensation and reimbursement of expenses and states in support thereof as follows:

1. Applicant is the Consultant to the Debtor-in-Possession in the above-referenced case. Applicant's employment was approved by the Court on March 19, 2004. The Petitions commencing this case was filed with the Clerk of Bankruptcy Court on March 11, 2004.
2. This Court has jurisdiction over this application under Sections 157 and 1334. This application is filed pursuant to Bankruptcy Rules 2016 and 9013 and Local Rule 406.
3. The terms of the employment and compensation sought therefor are on an hourly basis at a rate of \$185.00 per hour for services performed by F.G.

"Bud" Hamilton; and \$125.00 per hour for services performed by Ray Joyal, as more completely described in the attached exhibit.

4. The services rendered by Applicant during this period, as set forth in the attached Exhibit A and include the following:
 - a. Business Operations - 62.6 hours.
 - b. Bankruptcy Reports/Court Hearings - 43.3 hours.
5. In addition, your Applicant has incurred expenses in the amount of \$0.00 as described in the attached Exhibit A.
6. As indicated in the attached exhibit, the total value for the unpaid fees for representation of the Debtor herein is the sum of \$14,425.50.
7. Pursuant to the Court's Order Authorizing the Payment of Fees & Costs under the paydown provisions of 11 U.S.C. §330, Applicant has been paid \$5,771.50 by the Debtor.
8. This is the second Application for Interim Compensation and Reimbursement of Expenses. The Application covers the period from June 1, 2004 through July 31, 2004.
9. Applicant is not aware of any unpaid administrative expenses in favor of creditors of the debtor-in-possession.
10. Under penalty of perjury, the undersigned hereby verifies that the foregoing is true and correct.

WHEREFORE, Applicant requests:

1. Allowance of interim compensation in the amount of \$14,425.50.
2. Applicant is permitted to apply the pay down amounts received against the allowed fees, and the balance is permitted to be paid by the Debtor as an administrative expense herein in the amount of \$8,654.00.

Dated: August 12, 2004.

/e/ F.G. "Bud" Hamilton
F.G. "Bud" Hamilton
Hamilton Associates, Inc.
Consultant for Debtor

VERIFICATION

Walter Diachuk, President of the Debtor named in the foregoing pleading, declares under penalty of perjury that the foregoing pleading is true and correct according to the best of my knowledge, information and belief.

Dated: 8-12-04


Walter Diachuk

Hamilton Associates, Inc.
Summary of Helical Dynamics, Inc.
June 1, 2004 - July 31, 2004

	<u>Hours</u>	<u>Rate</u>	<u>Billed</u>
1.	<u>Business Operations.</u> Time spent on activities related to maintaining and auditing books of account, preparation of financial statements and account analysis, providing work direction to accounting staff, preparation of appropriate reports and other duties typical of a CFO.		
a.	Ray Joyal		47.6
		\$125.00	\$5,950.00
b.	F.G. Hamilton		15.0
		\$185.00	\$2,775.00
2.	<u>Bankruptcy Reports or Court Hearings.</u> Time spent preparing reports or meeting with trustee, preparing cash collateral reports for court or in court, meeting with or talking to attorneys for creditors.		
a.	Ray Joyal		38.5
		\$125.00	\$4812.50
b.	F.G. Hamilton		4.8
		\$185.00	\$ 888.00
	Total		<u>\$14,425.50</u>

Exhibit A

F.G. Hamilton
#1 – Business Operations

<u>Date</u>	<u>Description</u>	<u>Time Spent</u>
6/3/04	Talk to attorney on shipments and cash	.3
6/4/04	Talk to landlord on new financing.	.4
6/8/04	Meet with CEO and landlord on GCI issue.	1.4
6/8/04	Work on revised cash flow projections.	.5
6/10/04	Talk to attorney on cash flow issues.	.3
6/14/04	Talk to CEO on cash flow issues.	.3
6/17/04	Meet at Helical on cash flow options.	1.4
6/21/04	Talk to landlord on cash flow issues.	.4
6/23/04	Talk to CEO on cash flow options.	.3
6/24/04	Talk to CEO on new funding by landlord.	.3
6/29/04	Talk to attorney on cash issues.	.4
6/29/04	Talk to CEO on P.O. financing issues.	.4
7/1/04	Meet with CEO and landlord on cash issues.	1.4
7/1/04	Meet with Jerry Finkelstein on P.O. financing.	1.2
7/1/04	Talk to landlord on alternative financing.	.4
7/7/04	Meet with CEO and landlord on financing.	1.8
7/15/04	Talk to Jerry Finkelstein on P.O. financing.	.4
7/17/04	Meet with Jerry Finkelstein on P.O. financing issue.	1.5
7/19/04	Talk to Jerry Finkelstein on financing issues.	.4
7/23/04	Meet at Helical on cash flow issues.	.9

7/27/04 Talk to landlord on GCI issue.

.4

7/27/04 Talk to CEO on new contacts.

.2

Total

15.0 hours

Date	Description	Time Spent
7/12/04	Work on reorganization plan.	.9
7/13/04	Meet at Helical on reorganization plan.	1.6
7/23/04	Meet at Helical on reorganization plan.	1.2
7/29/04	Work on report for court.	1.1
		Total 4.8 hours

Ray Joyal
#1 – Business Operations

<u>Date</u>	<u>Description</u>	<u>Time Spent</u>
6/2/04	Talk to Helical on accounting issues.	.6
6/8/04	Talk to Helical on cash flow issues.	.3
6/9/04	Meet at Helical on monthly financials.	1.7
6/10/04	Work on monthly financial statements.	2.1
6/11/04	Work on monthly financial statements.	6.3
6/12/04	Work on A/P.	1.6
6/14/04	Work on cash flow issues.	1.3
6/15/04	Update computer files.	.6
6/17/04	Meet at Helical on accounting issues.	3.5
6/21/04	Work on cash flow issues.	.6
6/23/04	Talk to Helical on accounting issues.	.3
6/28/04	Talk to Helical on cash flow.	.2
6/30/04	Work on cash flow issues.	1.3
7/1/04	Meet with Jerry Finkelstein on P.O. financing.	1.2
7/1/04	Work on new cash flow projections.	1.7
7/6/04	Talk to Helical on monthly financials.	.3
7/7/04	Talk to GCI on balance issues.	.4
7/8/04	Meet at Helical on monthly financials.	1.5
7/9/04	Work on reconciling GCI balance due.	2.2
7/9/04	Work on month end financials.	3.1

7/12/04	Work on cash flow projections.	1.5
7/13/04	Meet at Helical on accounting issues.	2.3
7/13/04	Work on financial statements.	7.2
7/23/04	Meet at Helical on accounting issues.	2.6
7/23/04	Work on quarterly payroll reports.	3.2

47.6 hours

Total

Ray Joyal

#2 – Bankruptcy Reports or Court Hearings

<u>Date</u>	<u>Description</u>	<u>Time Spent</u>
6/9/04	Work on financials for reorganization plan.	.6
6/12/04	Work on trustee report.	5.2
6/13/04	Work on trustee report.	3.1
6/13/04	Work on financials for reorganization plan.	4.4
6/14/04	Work on trustee report.	3.3
7/9/04	Work on financials for reorganization plan.	4.8
7/10/04	Work on financials for reorganization plan.	4.2
7/11/04	Work on trustee report.	4.4
7/12/04	Work on trustee report.	3.8
7/15/04	Work on trustee report.	2.3
7/22/04	Work on reorganization plan.	2.4
		Total
		38.5 hours

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Case No. 04-31444

Helical Dynamics, Inc.,

ORDER

Debtor.

Chapter 11 Case.

The Application for Allowance of Interim Compensation and reimbursement of Expenses of Hamilton Associates, Inc. came on for hearing before the undersigned on July 6, 2004. Appearances were noted in the record.

The court having considered the record in this case and the Application hereby ORDERS:

1. The Application for Allowance of Interim Compensation and Reimbursement of Expenses filed by Hamilton Associates, Inc. is allowed and Hamilton Associates, Inc. is allowed Interim Compensation in the amount of \$14,425.50;

2. Hamilton Associates, Inc. is allowed to apply the paid out amounts received against the allowed Interim Compensation and the balance due in the amount of \$8,654.00 is allowed and the Debtor is authorized to pay the same as an administrative expense.

Dated: _____, 2004.

BY THE COURT:

Gregory F. Kishel
Judge of the United States Bankruptcy Court

UNSWORN CERTIFICATE OF SERVICE

I, Lori A. Adamson, declare under penalty of perjury that on August 12, 2004, I mailed by U.S. Mail, a copy of the following document:

1. Notice of Hearing and Application for Allowance of Interim Compensation and Reimbursement of Expenses of Hamilton Associates, Inc., Consultant for Debtor-In-Possession; and
2. Proposed Order.

to each entity named below at the stated address:

Helical Dynamics, Inc.
3600 Holly Lane North
Suite 10
Plymouth, MN 55447

US Trustee
1015 US Courthouse
300 South 4th Street
Minneapolis, MN 55415

US Attorney
600 Us Courthouse
300 South 4th Street
Minneapolis, MN 55415

MN Dept of Revenue-Coll. Enfnt
551 BKY Section
PO Box 64447
St. Paul, MN 55164

IRS
Special Procedures Branch
316 N Robert Street Stop 5700
St. Paul, MN 55101

IRS Office of Chief Counsel
650 Galtier Plaza
380 Jackson Street
St. Paul, MN 55101

Securities & Exchange Comm
BKY Section
175 Jackson Blvd Suite 900
Chicago, IL 60604

James A. Rubenstein
Moss & Barnett
90 South 7th Street Suite 4800
Minneapolis, MN 55402-4129

GCI Capital Inc
Joseph Lawver
150 South 5th Street, Suite 1800
Minneapolis, MN 55402

Citicorp Del Lease Inc.
450 Mamaroneck Avenue
Harrison, NY 10528

Expert Leasing
4319 Cedarwood Road
St. Louis Park, MN 55416

Minnesota Revenue
600 North Robert Street
Mail Station 6553
St. Paul, MN 55146

Small Business Administration
Ms. Royce Nelligan
100 North 6th Street, Suite 210C
Minneapolis, MN 55403

Commercial Services Group, Inc.
Attn: Mike Berry
11603 Shelbyville Road, Suite 3
Louisville, KY 40243

Ruth E. Honkanen
Foley & Mansfield
250 Marquette Avenue, suite 1200
Minneapolis, MN 55401

Executed on: August 12, 2004.

Signed: _____/e/ Lori A. Adamson
Steven B. Nosek Law Office
Attorney for Debtor
701 Fourth Avenue South
Suite 300
Minneapolis, MN 55415
(612) 335-9171